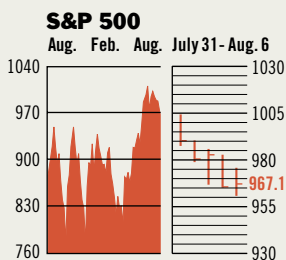


STOCKS

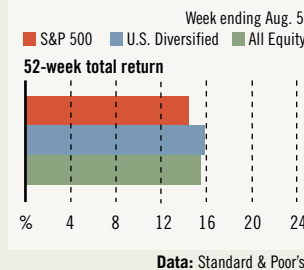
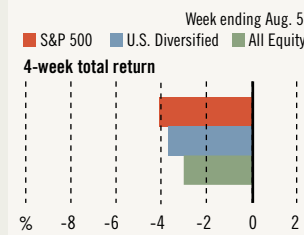


COMMENTARY

The markets declined despite an Aug. 4 report showing that June factory orders rose a better-than-expected 1.7% and news that service industries expanded sharply. Still, worries about the recovery and the falling bond market keep nagging at investors. Disappointing quarterly sales at Cisco hurt the stock—along with the NASDAQ—on Aug. 6.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	AUG. 6	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	967.1	-2.1	9.9	12.5
Dow Jones Industrials	9061.7	-1.5	8.6	9.5
NASDAQ Composite	1652.7	-4.0	23.7	31.2
S&P MidCap 400	481.1	-3.0	11.9	14.3
S&P SmallCap 600	223.8	-3.4	13.8	16.5
Wilshire 5000	9307.5	-2.3	11.6	14.2

SECTORS

	AUG. 6	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	566.3	-2.2	4.4	7.0
BW Info Tech 100**	304.7	-1.8	6.8	15.2
S&P/BARRA Growth	489.2	-2.2	9.0	10.6
S&P/BARRA Value	474.5	-1.9	10.9	14.6
S&P Energy	189.8	0.7	3.6	8.8
S&P Financials	336.1	-2.4	13.2	15.1
S&P REIT	103.3	-1.8	13.7	11.2
S&P Transportation	174.8	-0.9	2.8	4.3
S&P Utilities	103.5	-1.1	5.9	0.3
GSTI Internet	118.3	-9.0	58.3	94.5
PSE Technology	572.8	-2.4	25.0	34.6

*Mar. 19, 1999=1000 **Feb. 7, 2000=1000

GLOBAL MARKETS

	AUG. 6	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	947.3	-1.3	12.2	13.0
London (FT-SE 100)	4070.4	-1.7	3.3	-1.5
Paris (CAC 40)	3126.2	-1.5	2.0	-4.8
Frankfurt (DAX)	3375.7	-1.6	16.7	-5.4
Tokyo (NIKKEI 225)	9323.9	-3.2	8.7	-5.2
Hong Kong (Hang Seng)	9987.5	-1.3	7.1	0.1
Toronto (S&P/TSX Composite)	7139.1	-1.2	7.9	9.5
Mexico City (IPC)	7230.1	-0.4	18.0	25.8

FUNDAMENTALS

	AUG. 5	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.70%	1.65%	1.80%
S&P 500 P/E Ratio (Trailing 12 mos.)	27.5	29.1	31.1
S&P 500 P/E Ratio (Next 12 mos.)*	16.5	17.0	15.2
First Call Earnings Revision*	0.24%	0.36%	-3.54%

*First Call Corp.

TECHNICAL INDICATORS

	AUG. 5	WK. AGO	READING
S&P 500 200-day average	911.7	908.7	Positive
Stocks above 200-day average	72.0%	79.0%	Negative
Options: Put/call ratio	0.78	0.71	Positive
Insiders: Vickers NYSE Sell/buy ratio	4.24	4.15	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Motorcycles	16.5	Internet Software 155.6
Department Stores	15.3	Wireless Services 120.3
Constr. & Farm Machinery	13.4	Internet Retailers 83.8
Gold Mining	11.9	Office Electronics 63.8
Semiconductor Equip.	10.5	Comptr. Stge. & Perphs. 57.2

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Internet Software	-15.5	Tires & Rubber -47.2
Multi-Utilities	-14.7	Health-Care Facilities -45.3
Health-Care Services	-13.9	Food Chains -21.2
Tobacco	-12.5	Tobacco -16.6
Distributors	-8.7	Automobiles -13.5

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Precious Metals	6.1	Communications	39.1
Pacific/Asia ex-Japan	2.4	Precious Metals	36.7
Europe	1.1	Technology	35.0
Real Estate	-0.3	Latin America	26.4
LAGGARDS			
Communications	-6.1	Japan	-2.8
Utilities	-6.1	Diversified Pacific/Asia	5.9
Japan	-5.7	Miscellaneous	9.4
Technology	-5.1	Utilities	9.7

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
American Heritage	28.6	Jacob Internet	132.1
Scudder Gold & Pr. Mts. S	12.4	Amerindo Technology D	105.0
Rydex Dynam. Vent. 100	10.6	Fidelity Adv. Lvgd. Co. A	100.3
PFds. UltSh. OTC Inv.	10.3	Apex Mid Cap Growth	98.7
LAGGARDS			
Frontier Equity	-25.6	Frontier Equity	-67.4
Grand Prix A	-13.1	Rydex Dynam. Vent. 100	-62.0
PFds. Ultra Japan Inv.	-12.9	PFds. UltSh. OTC Inv.	-62.0
Black Oak Emerg. Tech	-12.4	Potomac OTC/Short Inv	-36.3

INTEREST RATES

KEY RATES

	AUG. 6	WEEK AGO	YEAR AGO
MONEY MARKET FUNDS			
90-DAY TREASURY BILLS	0.94	0.95	1.58
2-YEAR TREASURY NOTES	1.77	1.62	1.97
10-YEAR TREASURY NOTES	4.27	4.31	4.30
30-YEAR TREASURY BONDS	5.24	5.25	5.22
30-YEAR FIXED MORTGAGE†	6.35	6.23	6.35

†BanxQuote, Inc.

BLOOMBERG MUNI YIELD EQUIVALENTS

Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 30% federal tax rate.

	10-YR. BOND	30-YR. BOND
GENERAL OBLIGATIONS		
TAXABLE EQUIVALENT	4.10%	4.90%
TAXABLE EQUIVALENT		
INSURED REVENUE BONDS	4.18	5.06
TAXABLE EQUIVALENT	5.97	7.23

THE WEEK AHEAD

FOMC MEETING Tuesday, Aug. 12, 9 a.m. EDT ► The Federal Reserve Board's Open Market Committee meets to set monetary policy. Across the board, economists surveyed by MMS International believe the Fed will keep its federal funds rate at 1%.

RETAIL SALES Wednesday, Aug. 13, 8:30 a.m. EDT ► July retail sales probably grew by 0.5% for a second consecutive month. Excluding vehicles, sales most likely rose by 0.4%, after surging 0.7% in June.

PRODUCER PRICE INDEX Thursday, Aug. 14, 8:30 a.m. EDT ► Producer prices proba-

bly rose by 0.2% in July, after a 0.5% jump in June. Excluding food and energy, prices very likely ticked up 0.1%, reversing a 0.1% drop the month before.

CONSUMER PRICE INDEX Friday, Aug. 15, 8:30 a.m. EDT ► July consumer prices for goods and services are expected to have climbed 0.2% for a second straight period. Minus food and energy, prices moved 0.1% higher, after holding steady.

INDUSTRIAL PRODUCTION Friday, Aug. 15, 9:15 a.m. EDT ► Factory output in July probably expanded by 0.2%, following a

0.1% increase during June. The average operating rate is forecast to have improved to 74.4%, from 74.3%.

The BusinessWeek production index rose to 200.5 in the week ended July 26, up 3.1% from a year ago. Before calculation of the four-week moving average, the index slipped to 200.8.

BusinessWeek online

For the BW50, more investment data, and the components of the production index visit www.businessweek.com/magazine/extra.htm